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AMERICANWEST BANCORPORATION
9

10
11 UNITED STATES BANKRUPTCY COURT
12 EASTERN DISTRICT OF WASHINGTON
13

14 In re
15 AMERICANWEST
16 BANCORPORATION,
17 Debtor.
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Case No. 10-06097-PCW-11

Chapter 11

**ORDER PURSUANT TO 11
U.S.C. §§ 105(a), 363(b), AND
365; FED. R. BANKR. P. 2002,
6004, 6006, AND 9014; AND
B.L.R. 6004-1 APPROVING (A)
BIDDING PROCEDURES, (B)
BIDDING PROTECTIONS,
AND (C) THE FORM AND
MANNER OF NOTICE OF (i)
THE SALE OF CERTAIN
ASSETS AND (ii) THE
ASSUMPTION AND
ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS,
AND GRANTING RELATED
RELIEF**

ORDER APPROVING (A) BIDDING PROCEDURES, (B) BIDDING PROTECTIONS,
AND (C) FORM AND MANNER OF NOTICE OF (i) SALE OF ASSETS AND (ii)
ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS -

sf-2859682

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1 This matter having come before this Court on the motion of
2 AmericanWest Bancorporation (“AWBC”)¹ for Orders Pursuant to §§ 105(a),
3 363(b), and 365 of Chapter 11 of Title 11 of the United States Code, 11 U.S.C.
4 §§ 101, *et. seq.* (the “Bankruptcy Code”); Rules 2002, 6004, 6006, and 9014 of
5 the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”); and Rule
6 6004-1 of the Local Rules for the United States Bankruptcy Court of the
7 Eastern District of Washington (the “Local Rules”) (I) Approving (A) Bidding
8 Procedures, (B) Bidding Protections, and (C) the Form and Manner of the
9 Notice of Sale and Assignment Notice; (II) Authorizing and Approving (A) the
10 Sale of Certain Assets Free and Clear of All Encumbrances and (B) the
11 Assumption and Assignment of Certain Executory Contracts; and (III) Waiving
12 the 14-Day Stay of Bankruptcy Rules 6004(h) and 6006(d) (the “Sale
13 Motion”);² and AWBC, by the Sale Motion, having requested the entry of an
14 order (the “Bidding Procedures Order”) (a) approving bidding procedures in
15 connection with the Sale (the “Bidding Procedures”); (b) approving the
16 Minimum Overbid, the Stalking-Horse Bidder’s Fee, and bidding increments of
17 no less than \$500,000 (the “Bidding Increments”) (collectively, the “Bidding
18 Protections”) pursuant to and as described in the APA; (c) approving the form
19 and manner of (i) the notice that will be filed with this Court and served on all
20 creditors and parties-in-interest regarding the Sale and related Sale Hearing (the

21
22 ¹ All capitalized terms not otherwise defined herein shall have the
23 meanings ascribed to them in the Sale Motion or related Asset Purchase
24 Agreement (the “APA”), as appropriate.
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1 “Notice of Sale”) and (ii) the notice of the assumption and assignment of certain
2 executory contracts (the “365 Contracts”) and the cure amounts in respect
3 thereof (the “Assignment Notice”); and (d) scheduling a hearing at which this
4 Court will consider approval of the Sale pursuant to and as described in the
5 APA (the “Sale Hearing”); and AWBC having determined that approving the
6 Bidding Procedures, authorizing the Bidding Protections, and granting the other
7 relief requested in the Sale Motion will induce competitive bidding for
8 AWBC’s assets and will maximize the value of AWBC’s estate; and this Court
9 having reviewed and considered (i) the Sale Motion and the exhibits thereto;
10 (ii) arguments of counsel in support of the entry of the Bidding Procedures
11 Order; and (iii) the opposition thereto, if any, at a hearing for such purpose (the
12 “Bidding Procedures Hearing”); and it appearing that the relief requested in the
13 Sale Motion is in the best interests of AWBC, its estate, its creditors, and other
14 parties-in-interest; and it appearing that notice of the Sale Motion has been
15 given as set forth in the Sale Motion and that no other or further notice need be
16 given; and upon the record of the Bidding Procedures Hearing; and after due
17 deliberation thereon; and good cause appearing therefore, it is hereby

18 FOUND AND DETERMINED THAT:³

19 A. This Court has jurisdiction over this matter and over the property
20 of AWBC and its bankruptcy estate pursuant to 28 U.S.C. § 1334 and
21 § 157(a). This is a core proceeding pursuant to 28 U.S.C. § 1334 and
22 § 157(b)(2)(A), (N), and (O). Venue is proper before this Court pursuant to 28

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24 ³ Findings of fact shall be construed as conclusions of law and
25 conclusions of law shall be construed as findings of fact when appropriate. *See*
26 *Fed. R. Bankr. P. 7052.*

ORDER APPROVING (A) BIDDING PROCEDURES, (B) BIDDING PROTECTIONS,
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1 U.S.C. §§ 1408 and 1409.

2 B. AWBC has articulated good and sufficient reasons for approving
3 (i) the Bidding Procedures; (ii) the Bidding Protections; (iii) the form and
4 manner of the Notice of Sale; (iv) the form and manner of notice of the
5 Assignment Notice; and, in connection therewith, (v) the procedures described
6 below for the determination of the amounts necessary to cure defaults under the
7 365 Contracts (the "Cure Costs") and to address any other disputes in
8 connection with the assumption and assignment of the 365 Contracts pursuant
9 to section 365 of the Bankruptcy Code.

10 C. AWBC has articulated good and sufficient reasons for scheduling
11 the Sale Hearing.

12 D. The Bidding Protections are beneficial to AWBC's estate because
13 they will ensure a competitive and efficient bidding process and will enhance
14 AWBC's ability to maximize the value of its assets for the benefit of its
15 creditors. The terms and conditions of the Bidding Protections are fair and
16 reasonable and are the product of extended good faith, arm's-length
17 negotiations between AWBC and the Purchaser.

18 (i) Stalking-Horse Bidder's Fee. The approval of the Stalking-Horse
19 Bidder Fee is an integral part of the transactions contemplated by
20 the APA, and is necessary to ensure that the Purchaser will
21 continue to pursue its proposed acquisition of the Shares and the
22 Other Purchased Assets. AWBC's payment of the Stalking-Horse
23 Bidder's Fee on the terms and conditions set forth in the APA is
24 reasonable in relation to the Purchaser's efforts, the magnitude of
25 the Contemplated Transactions, and the Purchaser's lost
26 opportunities resulting from the time spent pursuing the

1 Contemplated Transactions. The Purchaser has expended over
2 \$1 million in documenting and negotiating the Sale, therefore, the
3 Stalking-Horse Bidder Fee of \$1 million is directly related to the
4 unreimbursed amounts incurred by the Purchaser in relation to the
5 Contemplated Transactions herein. In the absence of AWBC's
6 obligation to pay the Stalking-Horse Bidder's Fee in its entirety,
7 the Purchaser would not have entered into the APA. The assurance
8 of the Stalking-Horse Bidder's Fee therefore promotes more
9 competitive bidding by inducing the Purchaser's bid that otherwise
10 would not have been made, and without which bidding would have
11 been limited.

12 (ii) Minimum Overbid. The Minimum Overbid will also benefit
13 AWBC's estate because it will function as an effective tool to
14 identify only highly motivated bidders. A Minimum Overbid on
15 the terms described in the Bidding Procedures will ensure both that
16 the competing bidders are serious and that their overbids are
17 meaningfully better for AWBC (considering the added cost of
18 facilitating further diligence to new bidders under time and
19 publicity constraints). The Minimum Overbid will ensure that the
20 Auction will generate a material benefit to AWBC's estate as a
21 whole.

22 (iii) Bidding Increments. Similarly, the Bidding Increments, on the
23 terms described in the Bidding Procedures, will function as an
24 effective filtering tool in the pool of prospective bidders and ensure
25 that competing bidders are seriously motivated to purchase the
26 Shares and the Other Purchased Assets. Thus, the Bidding

1 Increments also provide a benefit to AWBC's estate.

2 F. Under the circumstances, and particularly in light of the extensive
3 prior marketing of the Shares and the Other Purchased Assets, the Bidding
4 Procedures constitute a reasonable, sufficient, adequate, and proper means to
5 provide potential competing bidders with an opportunity to submit and pursue
6 higher and better offers for the Shares and the Other Purchased Assets.

7 G. Time is of the essence with respect to the entry of this Bidding
8 Procedures Order.

9 H. AWBC's estate will suffer harm if the relief requested in the Sale
10 Motion is not granted on an expedited basis consistent with the provisions set
11 forth herein and the APA.

12 I. The Sale Motion and this Bidding Procedures Order comply with
13 all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and
14 the Local Bankruptcy Rules.

15 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND
16 DECREED THAT:

17 1. Subject to the provisions of below paragraph 14(b), the Sale
18 Motion is GRANTED to the extent set forth herein on an interim basis, except
19 with respect to the paragraphs 8 and 10, which are approved on a final basis.

20 2. The Bidding Procedures set forth in this Bidding Procedures Order
21 shall be utilized in (i) the marketing, negotiating and consummating the Sale of
22 the Shares and the Other Purchased Assets free and clear of all Encumbrances
23 and (ii) the assumption, and assignment to the Bank, by AWBC of certain 365
24 Contracts.

25

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ORDER APPROVING (A) BIDDING PROCEDURES, (B) BIDDING PROTECTIONS,
AND (C) FORM AND MANNER OF NOTICE OF (i) SALE OF ASSETS AND (ii)
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1 Bidding Procedures

2 3. The Bidding Procedures, as set forth in Exhibit A hereto (and
3 incorporated herein by reference as if fully set forth in this Bidding Procedures
4 Order), are hereby approved and shall govern all proceedings relating to the
5 Sale, the APA, and any subsequent bids for the Shares and the Other Purchased
6 Assets in this case.

7 4. The failure specifically to include or reference any particular
8 provision of the Bidding Procedures in this Order shall not diminish or impair
9 the effectiveness of such procedure, it being the intent of this Court that the
10 Bidding Procedures be authorized and approved in their entirety.

11 5. Any person wishing to submit a higher or better offer for the
12 Shares and the Other Purchased Assets, or any portion thereof, must do so in
13 accordance with the terms of the Bidding Procedures.

14 6. No other party submitting any other offer to purchase the Shares
15 and the Other Purchased Assets (or a portion thereof) or having made a
16 Qualified Bid of any nature: (a) may request as part of any such offer any
17 expense reimbursement, break-up fee, or termination payment or any other
18 similar fee or payment in connection with the Sale process contemplated by
19 these Bidding Procedures; or (b) shall be entitled to any of the foregoing
20 payments by reason of having tendered any such offer to purchase the Shares
21 and the Other Purchased Assets (or a portion thereof).

22 7. In order to participate at the Auction, an Overbidder must submit
23 its bid in a form acceptable to AWBC (with copies to certain professionals as
24 explained in the Bidding Procedures) on or before ten days before the Sale
25 Hearing (the "Bid Deadline"), as further described in the Bidding Procedures.
26

1 Bidding Protections

2 8. The Stalking-Horse Bidder Fee is approved on a final basis.

3 9. The Bidding Protections described in the APA are hereby
4 approved and shall be enforceable in accordance with the APA's terms. AWBC
5 is hereby authorized to make the Bidding Protection payments, subject to the
6 terms and conditions set forth in the APA, provided that in no event will the
7 Bidding Protections be paid in the absence of a Sale Order. AWBC's
8 obligations in respect of the Stalking-Horse Bidder's Fee shall survive
9 termination of the APA and, until paid, shall constitute an administrative
10 expense of AWBC's estate pursuant to sections 503(b) and 507(a)(1) of the
11 Bankruptcy Code and shall be paid in accordance with the term of the APA
12 without further order of this Court.

13 Sale Hearing

14 10. On a final basis, it is determined that the Sale Hearing to consider
15 approval of the Sale to the Successful Bidder (or to approve the APA if no
16 Auction is held) will take place on December 9, 2010 at 1:30 p.m. (prevailing
17 Pacific Time) in the courtroom of the Honorable Judge Williams in the United
18 States Bankruptcy Court for the Eastern District of Washington, 904 West
19 Riverside Avenue, Suite 304, Spokane, Washington 99201.

20 11. Objections to the entry of an order approving the Sale and the
21 related relief requested in the Sale Motion must be made in writing and must be
22 filed with this Court and served upon the following parties so as to be received
23 by no later than five (5) days prior to the Sale Hearing: (i) Foster Pepper PLLC,
24 1111 Third Avenue, Suite 3400, Seattle, Washington 98101-3299, proposed
25 counsel for AWBC; (ii) Larry Engel, Morrison & Foerster LLP, 425 Market
26 Street, San Francisco, California 94105-2482, proposed special counsel for

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1 AWBC and the Company Individuals; (iii) Kenneth Kohler, Morrison &
2 Foerster LLP, 555 West Fifth Street, Suite 3500, Los Angeles, CA 90013-1024,
3 proposed special counsel for AWBC and the Company Individuals; (iv) Van C.
4 Durrer II, Skadden, Arps, Slate, Meagher & Flom LLP, 300 South Grand Ave.,
5 Suite 3400, Los Angeles, CA 90071, counsel for the Purchaser; (v) the Office
6 of the United States Trustee; and (vi) Sandler O'Neill & Partners, L.P., 455
7 Market Street, Suite 2070, San Francisco, CA 94105, Attn: Albert Glowasky,
8 financial advisor to AWBC.

9 12. The Sale Hearing may be adjourned from time to time without
10 further notice to creditors or parties-in-interest other than by announcement of
11 the adjournment in open Court or on this Court's calendar on the date scheduled
12 for the Sale Hearing or any adjourned date.

13 Assumption and Assignment Procedures

14 13. The following procedures shall govern the assumption and
15 assignment of 365 Contracts in connection with the Sale:

16 (a) AWBC shall, within two (2) days after the entry of the Bidding
17 Procedures Order on this Court's docket, serve on each of the non-debtor
18 counterparties to the 365 Contracts (each a "Counterparty") a notice
19 substantially in the form annexed hereto as Exhibit D (the "Assignment
20 Notice") specifying the cure amounts necessary to assume each of the 365
21 Contracts (the "Cure Cost") and AWBC's intention to assume and assign such
22 agreements to the Bank. The Assignment Notice may also identify any
23 additional terms or conditions of assumption and assignment.

24 (b) Objections, if any, to the proposed Cure Costs, or to the proposed
25 assumption and assignment of the 365 Contracts, including, but not limited to,
26 objections relating to adequate assurance of future performance or objections

1 relating to whether applicable law excuses the Counterparty from accepting
2 performance by, or rendering performance to, the Bank for purposes of section
3 365(c)(1) of the Bankruptcy Code, must be in writing and filed with this Court
4 and served on the Notice Parties (as defined hereinafter) so as to be received no
5 later than ten days after service of an Assignment Notice (the “Designation and
6 Cure Objection Deadline”).

7 (c) Where a Counterparty files an objection meeting the requirements
8 set forth herein, objecting to the assumption by AWBC and assignment to the
9 Bank of such 365 Contract (the “Disputed Designation”) and/or asserting a cure
10 amount higher than the proposed Cure Costs listed on the Assignment Notice
11 (the “Disputed Cure Costs”), AWBC, the Purchaser, or the Successful Bidder
12 (as the case may be), and the Counterparty shall meet and confer in good faith
13 to attempt to resolve any such objection without Court intervention. If AWBC,
14 the Counterparty, and the Purchaser (or the Successful Bidder, as the case may
15 be), determine that the objection cannot be resolved without judicial
16 intervention, then the determination of the assumption and assignment of the
17 Disputed Designation and/or the amount to be paid under section 365 of the
18 Bankruptcy Code with respect to the Disputed Cure Costs will be determined
19 by this Court at the next scheduled omnibus hearing that is on a date not less
20 than ten days after the service of such objection, or such other date as
21 determined by this Court, unless AWBC, the Purchaser (or the Successful
22 Bidder, as the case may be), and the Counterparty to the 365 Contract agree
23 otherwise. If this Court determines at this hearing that the 365 Contract will not
24 be assumed and assigned, then such executory contract shall no longer be
25 considered a 365 Contract, provided, however, that after such determination is
26 made by this Court, AWBC may propose a new Cure Cost in accordance with

1 the procedures set forth herein, including providing the applicable Counterparty
2 with the Assignment Notice setting forth the redesignation and proposed new
3 Cure Cost of the 365 Contract.

4 (d) Any Counterparty to a 365 Contract who fails to timely file an
5 objection to the proposed Cure Costs or the proposed assumption and
6 assignment of a 365 Contract by the Designation and Cure Objection Deadline
7 is deemed to have consented to such Cure Costs and the assumption and
8 assignment of such 365 Contract, and such party shall be forever barred from
9 objecting to the Cure Costs and from asserting any additional cure or other
10 amounts against AWBC, its estate, the Bank, or the Purchaser (or the
11 Successful Bidder, as the case may be).

12 (e) If the Counterparty to a 365 Contract fails to timely object to the
13 assumption and assignment of a 365 Contract or the proposed Cure Cost
14 relating thereto by the Designation and Cure Objection Deadline, or upon the
15 resolution of any timely objection by agreement of the parties or order of this
16 Court approving an assumption and assignment, such 365 Contract shall be
17 deemed to be assumed by AWBC and assigned to the Bank, and the proposed
18 Cure Cost related to such 365 Contract shall be established and approved in all
19 respects, subject to the conditions set forth directly below.

20 (f) AWBC's decision to assume and assign the 365 Contracts is
21 subject to Court approval and consummation of the Sale. Accordingly, subject
22 to the satisfaction of conditions in connection with the Sale, AWBC shall be
23 deemed to have assumed and assigned the 365 Contracts as of the date of and
24 effective only upon the Closing Date (as defined in the APA), and absent such
25 closing, each of the 365 Contracts shall neither be deemed assumed nor
26 assigned and shall in all respects be subject to subsequent assumption or

1 rejection by AWBC under the Bankruptcy Code. Also, inclusion of any
2 document on the list of 365 Contracts in the Assignment Notice shall not
3 constitute or be deemed to be a determination or admission by AWBC, the
4 Bank, or the Purchaser (or the Successful Bidder, as the case may be) that such
5 document is, in fact, an executory contract within the meaning of the
6 Bankruptcy Code, all rights with respect thereto being expressly reserved.

7 (g) Except as may otherwise be agreed to by the parties to a 365
8 Contract, the defaults under the 365 Contracts that must be cured in accordance
9 with section 365(b) of the Bankruptcy Code shall be cured as follows: AWBC
10 shall pay all Cure Costs relating to an assumed executory contract within ten
11 days after the later of (i) the Closing Date or (ii) the date on which such 365
12 Contract is deemed assumed and assigned.

13 Notice

14 14. The form and manner of notice of (a) the Notice of Sale and (b) the
15 Assumption Notice, in each case as described in the Sale Motion, shall be good
16 and sufficient, and no other or further notice thereof shall be required, if given
17 as follows:

18 (a) AWBC shall, within two (2) days of the entry of this Bidding
19 Procedures Order on this Court's docket, serve a copy of each of the Sale
20 Motion, the proposed form of Sale Order, the Bidding Procedures Order, and a
21 copy of the Notice of Sale, substantially in the form attached to the Sale Motion
22 as Exhibit E, by first-class mail, postage prepaid, upon the following parties
23 (collectively, the "Notice Parties"): (i) all entities known to have expressed an
24 interest in a transaction with respect to AWBC, the Bank or the Shares and the
25 Other Purchased Assets (or a portion thereof); (ii) any entities known to have
26 asserted any Encumbrance in or upon the Shares or the Other Purchased Assets;

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1 (iii) all federal, state, and local regulatory or taxing authorities or recording
2 offices which have a reasonably known interest in the relief requested by the
3 Motion, including the FDIC and the DFI; (iv) all parties to the APA and all
4 related agreements; (v) the Office of the United States Trustee; (vi) the
5 Securities and Exchange Commission; (vii) the Internal Revenue Service;
6 (viii) Wilmington Trust Company; (ix) U.S. Bank National Association;
7 (x) Preferred Trust Securities, Ltd. VII; (xi) Preferred Trust Securities, Ltd. X;
8 (xii) Preferred Trust Securities, Ltd. XXII; (xiii) Preferred Trust Securities, Ltd.
9 XXV; (xiv) Bank of New York Mellon; (xv) all entities that have requested
10 notice in accordance with Bankruptcy Rule 2002; (xvii) all other known
11 creditors of AWBC; and (xviii) counsel to any official committee established in
12 this Chapter 11 case.;

13 (b) The final hearing to consider the interim relief granted herein
14 (excluding paragraphs 8 and 10) is scheduled for November 18, 2010 at 1:30
15 p.m. (prevailing Pacific Time) before this Court (the "Final Hearing"). On or
16 before November 15, 2010 at 1:30 p.m. (prevailing Pacific Time) (the
17 "Objection Deadline") objections to the entry of a final order approving such
18 interim relief on a final basis may be filed by any of the following parties: (i)
19 the Wilmington Trust Company and U.S. Bank National Association as
20 indenture trustees (the "Indenture Trustees") for the junior subordinated
21 debentures issued by AWBC; (ii) holders of any TRUPS securities issued by a
22 trust that holds any such debentures (the holder of any such TRUPS securities
23 being referred to herein as "Holders"); (iii) any official committee of unsecured
24 creditors appointed in this Case; and (iv) any party-in-interest. Such objections
25 must be in writing and filed, by the Objection Deadline, with the Clerk of the
26 United States Bankruptcy Court for the Eastern District of Washington, which

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1 objections shall be served upon so as to be received on or before the Objection
2 Deadline by: (i) Foster Pepper PLLC, 1111 Third Avenue, Suite 3400, Seattle,
3 Washington 98101-3299, proposed counsel for AWBC; (ii) Larry Engel,
4 Morrison & Foerster LLP, 425 Market Street, San Francisco, California 94105-
5 2482, proposed special counsel for AWBC and the Company Individuals; (iii)
6 Kenneth Kohler, Morrison & Foerster LLP, 555 West Fifth Street, Suite 3500,
7 Los Angeles, CA 90013-1024, proposed special counsel for AWBC and the
8 Company Individuals; (iv) Van C. Durrer II, Skadden, Arps, Slate, Meagher &
9 Flom LLP, 300 South Grand Ave., Suite 3400, Los Angeles, CA 90071,
10 counsel for the Purchaser; (v) the Office of the United States Trustee; and (vi)
11 Sandler O'Neill & Partners, L.P., 455 Market Street, Suite 2070, San Francisco,
12 CA 94105, Attn: Albert Glowasky, financial advisor to AWBC.

13 (c) Within ten (10) days after the date the Bidding Procedures Order is
14 entered on this Court's docket, or as soon thereafter as is practicable, AWBC
15 shall cause notice substantially in the form of the notice attached to the Sale
16 Motion as Exhibit F, to be published in the national edition of *The Wall Street*
17 *Journal*, *The Seattle Times*, *The Spokesman-Review*, and *The Salt Lake Tribune*.
18 This publication notice shall constitute an additional component of the Notice
19 of Sale; and

20 (d) AWBC shall serve Assignment Notice on each Counterparty in the
21 manner described above.
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1 15. This Court shall retain jurisdiction over any matter or dispute
2 arising from or relating to the implementation of this Bidding Procedures Order.
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20 Form of Order settled with Parties in open Court;
21 Presented by:

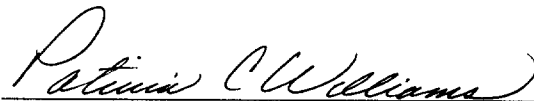
22 FOSTER PEPPER PLLC

23 /s/ Dillon E. Jackson

24 Dillon E. Jackson, WSBA #1539
25 Christopher M. Alston, WSBA #18

26 Proposed Counsel for

AMERICANWEST BANCORP



Patricia C. Williams
Bankruptcy Judge

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EXHIBIT A

BIDDING PROCEDURES

By motion dated October 28, 2010 (the "Motion"),¹ AmericanWest Bancorporation ("AWBC"), a Washington corporation and debtor-in-possession in a case under Chapter 11 of the United States Bankruptcy Code (the "Case"), sought approval of, among other things, the procedures pursuant to which it will determine the highest or otherwise best price for the sale (the "Sale") of all of the issued and outstanding shares of common stock (the "Shares") of AWBC's wholly owned subsidiary, AmericanWest Bank, a Washington state-chartered bank (the "Bank" and, together with AWBC, the "Company"), and the Other Purchased Assets, pursuant to the terms of, and substantially in the form of, that certain Asset Purchase Agreement by and among (i) SKBHC Hawks Nest Acquisition Corp, a Delaware corporation, as stalking horse bidder (the "Stalking Horse Bidder"), (ii) SKBHC Holdings LLC, a Delaware limited liability company, and (iii) AWBC (the "Seller"), dated as of October 27, 2010 (the "Purchase Agreement") attached to the Motion.

The following are the "Bidding Procedures" as contemplated in the Purchase Agreement.

(a) In order to be qualified to receive any confidential information from the Company or the Bank, to submit an Initial Overbid, as that term is hereinafter defined, and to participate in the Auction, a potential bidder (an "Overbidder") must submit each of the following to the Company on a timely basis:

(i) An executed confidentiality agreement which shall inure to the benefit of the Successful Bidder, in a form and substance acceptable to the Company and the Purchaser; and

(ii) Current audited financial statements and latest unaudited financial statements of the Overbidder or, if the Overbidder is an entity formed for the purpose of acquiring the Shares and the Other Purchased Assets, current audited financial statements and latest unaudited financial statements of the equity holders or sponsors of the Overbidder who will guarantee the obligations of the Overbidder, or such other form of financial disclosure and/or credit-quality support or enhancement, if any, that will allow the Company to make a reasonable determination as to the Overbidder's financial and other capabilities to consummate the Sale (including, but not limited to, the ability to obtain all

¹ Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Motion.

necessary regulatory approvals with respect to the ownership of the Shares and operation of the Bank on a timely basis).

(b) In order to participate at the Auction, an Overbidder must submit the following to the Company at least ten (10) days prior to the Sale Hearing (the “Bid Deadline”):

(i) a proposed asset purchase agreement (the “Competing Purchase Agreement”), executed by the Overbidder, that (a) is on substantially the same terms and conditions as those in this Agreement, along with a redlined, marked copy showing all changes between the Competing Purchase Agreement and this Agreement, (b) provides for a purchase price to be paid to the Company that exceeds the sum of the Cash Purchase Price and the Stalking-Horse Bidder Fee by at least Five Hundred Thousand Dollars (\$500,000) or such other initial increment as may be approved by the Bankruptcy Court (such total amount, the “Minimum Overbid”), (c) provides for the recapitalization of the Bank through an equity contribution on terms not less favorable to the Bank than the Equity Contribution and, in any event, on terms acceptable to Governmental Authorities, (d) remains irrevocable until the earlier of the Closing or fifteen (15) days after entry of the Sale Order, (e) disclaims any right of Overbidder to receive a fee analogous to the Stalking-Horse Bidder Fee or to compensation under Bankruptcy Code Section 503(b) for making a substantial contribution and (f) contains a proposed closing date that is not later than the Outside Date hereunder;

(ii) a cashier’s check made payable to the order of the Company in the amount of Eight Million Five Hundred Thousand Dollars (\$8,500,000) or such other amount as may be approved by the Bankruptcy Court (the “Overbidder’s Deposit”) which will be retained by the Company as a nonrefundable deposit for application against the purchase price at the closing of the transaction, or returned to the Overbidder within three (3) calendar days of the Closing, in the event that the Bankruptcy Court does not approve a sale of the Shares and the Other Purchased Assets to the Overbidder;

(iii) be accompanied by admissible evidence in the form of affidavits or declarations establishing that the Overbidder has the financial ability to pay the purchase price set forth in the Competing Purchase Agreement;

(iv) remain open until the conclusion of the Sale Hearing;

(v) contain terms and conditions that are higher and better than the terms and conditions of this Agreement as determined by the Bankruptcy Court

following a report and recommendation by the Company as to the highest and best offer;

(vi) provide for a purchase price to be paid to the Company that exceeds the sum of the Purchase Price and the Stalking-Horse Bidder Fee by at least the Minimum Overbid;

(vii) be accompanied by admissible evidence in the form of affidavits or declarations establishing the Overbidder's good faith, within the meaning of Section 363(m) of the Bankruptcy Code;

(viii) be accompanied by admissible evidence in the form of affidavits or declarations establishing that the Overbidder is capable and qualified, financially, legally, and otherwise, of unconditionally performing all obligations under the Competing Purchase Agreement;

(ix) be accompanied by admissible evidence in the form of affidavits or declarations establishing that the Overbidder has or is capable of obtaining all required regulatory approvals to perform all of its obligations under the Competing Purchase Agreement and to close the transaction not later than the Outside Date; and

(x) disclaim any right of Overbidder to receive a fee analogous to the Stalking-Horse Bidder Fee or to compensation under Bankruptcy Code Section 503(b) for making a substantial contribution.

(c) The Purchaser, and any entity that submits a timely, conforming Competing Asset Purchase Agreement and Overbidder's Deposit (an "Initial Overbid"), as set forth above, shall each be deemed a "Qualified Overbidder" and may bid for the Shares at the Auction, provided that the Purchaser also shall deliver to AWBC a cashier's check made payable to the order of AWBC in the amount of the Overbidder's Deposit on or before the Bid Deadline in order to be deemed a Qualified Overbidder. Any entity (other than the Purchaser) that fails to submit a timely, conforming Initial Overbid, as set forth above, shall be disqualified from bidding for the Shares and the Other Purchased Assets at the Auction.

(d) If no timely, conforming Initial Overbid is submitted, the Company shall not conduct an Auction and shall request at the Sale Hearing that the Bankruptcy Court approve this Agreement, including the Sale of the Shares and the Other Purchased Assets to the Purchaser and the Equity Contribution contemplated thereby, and request that the Sale Order shall be immediately

effective upon entry, notwithstanding the provisions of Rule 6004(h) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 62(g) of the Federal Rules of Civil Procedure;

(e) If one or more timely conforming Initial Overbids is received, the Company shall conduct an auction of the Shares and the Other Purchased Assets (the "Auction"), subject to approval of the Bankruptcy Court, in which the Purchaser and all other Qualified Overbidders may participate. The Auction shall be governed by the following procedures:

(i) all Qualified Bidders shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and to have waived any right to jury trial in connection with any disputes relating to the Auction or the Sale of the Shares and the Other Purchased Assets;

(ii) all Qualified Bidders shall be deemed to consent to provide the Company with admissible evidence in the form of affidavits or declarations establishing (A) the Qualified Bidder's good faith, within the meaning of Section 363(m) of the Bankruptcy Code, (B) the fact that the Qualified Bidder is capable and qualified, financially, legally, and otherwise, of unconditionally performing all obligations under the Competing Purchase Agreement (or this Agreement) and (C) the fact that the Qualified Bidder has or is capable of obtaining all required regulatory approvals to perform all of its obligations under the Competing Purchase Agreement (or this Agreement) on or before the deadline set by the Company;

(iii) each bid by a Qualified Overbidder (other than the Purchaser) shall be automatically reduced by an amount equal to the Stalking-Horse Bidder Fee;

(iv) bidding will commence at the amount of the highest bid submitted by a Qualified Overbidder, as determined by the Company, subject to approval by the Bankruptcy Court;

(v) each subsequent bid shall be in increments of no less than Five Hundred Thousand Dollars (\$500,000) or such other increment as may be approved by the Bankruptcy Court;

(vi) the Purchaser shall have the right, but not the obligation, in its sole and absolute discretion, to match bids made by any Qualified Overbidder and, in such event, the Purchaser's matching bid shall be deemed the highest and best bid for the Shares and the Other Purchased Assets;

(vii) if, upon conclusion of the Auction, and consistent with the terms of the Bidding Procedures, the Purchaser's final bid matches or is greater than the highest bid made by any Qualified Overbidder, the Bankruptcy Court shall approve this Agreement, including the Sale of the Shares and the Other Purchased Assets to the Purchaser and the Equity Contribution contemplated thereby, and authorize the Company to sell the Shares and the Other Purchased Assets to the Purchaser, and the amount of the Purchaser's final bid shall constitute the Cash Purchase Price under this Agreement; and

(viii) the Company may, with Bankruptcy Court approval, elect to deem the Purchaser's final bid to be the highest bid, notwithstanding the receipt of an apparently higher bid from another Overbidder, if the Company reasonably concludes that the Overbidder may not be able to close on a timely basis, or for any other reason.

(f) The Purchaser has standing and is deemed to be a party in interest with standing to be heard on any motion, hearing or other matter related to this Agreement or any Overbid, or other sale of assets subject to this Agreement.

EXHIBIT D

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3 1111 Third Avenue, Suite 3400
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5 Telephone: (206) 447-4400
6 Facsimile No.: (206) 447-9700

7 G. Larry Engel (*pro hac admission pending*)
8 MORRISON & FOERSTER LLP
9 425 Market Street
10 San Francisco, California 94105-2482
11 Telephone: (415) 268-7000
12 Facsimile No.: (415) 268-7522

13 Proposed Counsel for
14 AMERICANWEST BANCORPORATION

15 UNITED STATES BANKRUPTCY COURT
16 EASTERN DISTRICT OF WASHINGTON
17

18 In re
19 AMERICANWEST
20 BANCORPORATION,
21 Debtor.

Case No. 10-06097-PCW-11

Chapter 11

**NOTICE OF (I) AWBC'S
INTENT TO ASSUME AND
ASSIGN CERTAIN
EXECUTORY CONTRACTS
AND (II) CURE COSTS
RELATED THERETO**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On October 28, 2010, AmericanWest Bancorporation ("AWBC")
filed a motion for orders (I) approving (A) the proposed bidding procedures for
the proposed sale of certain assets; (B) certain bidding protection payments; and
(C) the form and manner of notice of (i) the sale of certain assets and (ii) the
assumption and assignment of certain executory contracts, and granting related
relief; (II) authorizing and approving (A) the sale of certain assets and (B) the
assumption and assignment of certain executory contracts; and (III) waiving the

NOTICE OF (I) AWBC'S INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS AND (II) CURE COSTS RELATED THERETO -

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1 14-day stay of Fed. R. Bankr. P. 6004(h) and 6006(d) (the "Sale Motion")¹ with
2 the United States Bankruptcy Court for the Eastern District of Washington.

3 2. AWBC has entered into an Asset Purchase Agreement (the
4 "APA"), dated as of October 27, 2010 by and between AWBC and SKBHC
5 Hawks Nest Acquisition Corp (the "Purchaser"), which contemplates the sale of
6 AWBC's 100% equity ownership (the "Shares") in its non-debtor subsidiary,
7 AmericanWest Bank (the "Bank")² and the Other Purchased Assets.

8 3. The APA contemplates, and the Sale Order, if approved, shall
9 authorize the assumption and assignment to the Purchaser of certain executory
10 contracts. Attached hereto as Exhibit A is a list of certain executory contracts
11 that AWBC intends to assume and assign to the Purchaser (collectively, the
12 "365 Contracts" and, each, a "365 Contract"), pursuant to section 365 of the
13 Bankruptcy Code. The significant terms of each 365 Contract and the terms of
14 each corresponding assignment are also set forth therein.

15 4. AWBC has listed on Exhibit B annexed hereto the amounts that
16 AWBC believes must be paid to cure all prepetition defaults under the 365
17 Contracts as of the date hereof, in accordance with section 365(b) of the
18 Bankruptcy Code (in each instance, the "Cure Cost").
19
20
21

22 ¹ You may obtain a copy of the Sale Motion and the APA by contacting
23 Debtor's counsel, Morrison & Foerster LLP, 425 Market Street, 32nd Floor, San
24 Francisco, CA 94105, Attn: Vincent J. Novak, 415-268-7000.

25 ² All capitalized terms not otherwise defined herein shall have the
26 meanings ascribed to them in the Sale Motion or the APA, as applicable.

1 5. Please read Exhibit B carefully. In some cases, Exhibit B
2 identifies additional terms or conditions of assumption and assignment with
3 respect to a particular 365 Contract.

4 6. Objections, if any, to the proposed Cure Costs, or to the proposed
5 assumption and assignment of the 365 Contracts, including, but not limited to,
6 objections relating to adequate assurance of future performance or objections
7 relating to whether applicable law excuses the Counterparty from accepting
8 performance by, or rendering performance to, the Bank for purposes of section
9 365(c)(1) of the Bankruptcy Code, must be in writing and filed with this Court
10 so as to be received no later than ten days after service of an Assignment Notice
11 (the "Designation and Cure Objection Deadline") by the following parties:

12 (i) all entities known to have expressed an interest in a transaction with respect
13 to AWBC, the Bank or the Shares and the Other Purchased Assets (or a portion
14 thereof); (ii) any entities known to have asserted any Encumbrance in or upon
15 the Shares or the Other Purchased Assets; (iii) all federal, state, and local
16 regulatory or taxing authorities or recording offices which have a reasonably
17 known interest in the relief requested by the Motion, including the FDIC and
18 Washington DFI; (iv) all parties to the APA and all related agreements; (v) the
19 Office of the United States Trustee; (vi) the Securities and Exchange
20 Commission; (vii) the Internal Revenue Service; (viii) Wilmington Trust
21 Company; (ix) U.S. Bank; (x) Preferred Trust Securities, Ltd. VII;
22 (xi) Preferred Trust Securities, Ltd. X; (xii) Preferred Trust Securities, Ltd.
23 XXII; (xiii) Preferred Trust Securities, Ltd. XXV; (xiv) Bank of New York
24 Mellon; (xv) all entities that have requested notice in accordance with
25 Bankruptcy Rule 2002; (xvii) all other known creditors of AWBC; and
26 (xviii) counsel to any official committee established in this Chapter 11 case.

NOTICE OF (I) AWBC'S INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS AND (II) CURE COSTS RELATED THERETO - 3

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1 7. Where a Counterparty files an objection meeting the requirements
2 set forth herein, objecting to the assumption by AWBC and assignment to the
3 Bank of such 365 Contract (the "Disputed Designation") and/or asserting a cure
4 amount higher than the proposed Cure Costs listed on the Assignment Notice
5 (the "Disputed Cure Costs"), AWBC, the Purchaser, or the Successful Bidder
6 (as the case may be), and the Counterparty shall meet and confer in good faith
7 to attempt to resolve any such objection without Court intervention. If AWBC,
8 the Counterparty, and the Purchaser (or the Successful Bidder, as the case may
9 be), determine that the objection cannot be resolved without judicial
10 intervention, then the determination of the assumption and assignment of the
11 Disputed Designation and/or the amount to be paid under section 365 of the
12 Bankruptcy Code with respect to the Disputed Cure Costs will be determined
13 by this Court at the next scheduled omnibus hearing that is on a date not less
14 than ten days after the service of such objection, or such other date as
15 determined by this Court, unless AWBC, the Purchaser (or the Successful
16 Bidder, as the case may be), and the Counterparty to the 365 Contract agree
17 otherwise. If this Court determines at this hearing that the 365 Contract will not
18 be assumed and assigned, then such executory contract shall no longer be
19 considered a 365 Contract, provided, however, that after such determination is
20 made by this Court, AWBC may propose a new Cure Cost in accordance with
21 the procedures set forth herein, including providing the applicable Counterparty
22 with the Assignment Notice setting forth the redesignation and proposed new
23 Cure Cost of the 365 Contract.

24 8. If you agree with the Cure Cost indicated on Exhibit B, and
25 otherwise do not object to AWBC's assumption and assignment of your
26 contract, you are not required take any further action.

NOTICE OF (I) AWBC'S INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS AND (II) CURE COSTS RELATED THERETO - 4

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1 9. Any Counterparty to a 365 Contract who fails to timely file an
2 objection to the proposed Cure Costs or the proposed assumption and
3 assignment of a 365 Contract by the Designation and Cure Objection Deadline
4 is deemed to have consented to such Cure Costs and the assumption and
5 assignment of such 365 Contract, and such party shall be forever barred from
6 objecting to the Cure Costs and from asserting any additional cure or other
7 amounts against AWBC, its estate, the Bank, or the Purchaser (or the
8 Successful Bidder, as the case may be).

9 10. If the Counterparty to a 365 Contract fails to timely object to the
10 assumption and assignment of a 365 Contract or the proposed Cure Cost
11 relating thereto by the Designation and Cure Objection Deadline, or upon the
12 resolution of any timely objection by agreement of the parties or order of this
13 Court approving an assumption and assignment, such 365 Contract shall be
14 deemed to be assumed by AWBC and assigned to the Bank, and the proposed
15 Cure Cost related to such 365 Contract shall be established and approved in all
16 respects, subject to the conditions set forth directly below.

17 AWBC's decision to assume and assign the 365 Contracts is subject to
18 Court approval and consummation of the Sale. Accordingly, subject to the
19 satisfaction of conditions in connection with the Sale, AWBC shall be deemed
20 to have assumed and assigned the 365 Contracts as of the date of and effective
21 only upon the Closing Date (as defined in the APA), and absent such closing,
22 each of the 365 Contracts shall neither be deemed assumed nor assigned and
23 shall in all respects be subject to subsequent assumption or rejection by AWBC
24 under the Bankruptcy Code. Also, inclusion of any document on the list of 365
25 Contracts attached hereto shall not constitute or be deemed to be a
26 determination or admission by AWBC, the Bank, or the Purchaser (or the

NOTICE OF (I) AWBC'S INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS AND (II) CURE COSTS RELATED THERETO - 5

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1 Successful Bidder, as the case may be) that such document is, in fact, an
2 executory contract within the meaning of the Bankruptcy Code, all rights with
3 respect thereto being expressly reserved.

4 11. Except as may otherwise be agreed to by the parties to a 365
5 Contract, the defaults under the 365 Contracts that must be cured in accordance
6 with section 365(b) of the Bankruptcy Code shall be cured as follows: AWBC
7 shall pay all Cure Costs relating to an assumed executory contract within ten
8 days after the later of (i) the Closing Date or (ii) the date on which such 365
9 Contract is deemed assumed and assigned.

10 12. Any objection to the proposed Cure Costs or the proposed
11 assumption and assignment of a 365 Contract shall not constitute an objection
12 to the relief generally requested in the Sale Motion. Parties wishing to object to
13 the other relief requested in the Sale Motion must file and serve a separate
14 objection, stating with particularity such party's grounds for objection, in
15 accordance with the objection procedures approved and set forth in the Bidding
16 Procedures Order.

17 13. If a party other than the Purchaser is the Successful Bidder, or if a
18 transaction other than the Sale is consummated for the sale of the Shares, then
19 these procedures may be modified if necessary by further order of this Court.

20 *[Remainder of page intentionally left blank]*
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2 DATED this 28th day of October, 2010 FOSTER PEPPER PLLC
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Dillon E. Jackson, WSBA #1539

G. Larry Engel
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– and –

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Proposed Counsel for
AmericanWest Bancorporation

NOTICE OF (I) AWBC'S INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS AND (II) CURE COSTS RELATED THERETO - 7

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EXHIBIT E

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14 Proposed Counsel for
15 AMERICANWEST
16 BANCORPORATION

17 UNITED STATES BANKRUPTCY COURT
18 EASTERN DISTRICT OF WASHINGTON

19 In re

20 AMERICANWEST
21 BANCORPORATION,
22 Debtor.

Case No. 10-06097-PCW-11

Chapter 11

**NOTICE OF SALE OF
CERTAIN ASSETS**

23 PLEASE TAKE NOTICE OF THE FOLLOWING:

24 1. Pursuant to the Order under §§ 105(a), 363(b), and 365 of the
25 Bankruptcy Code¹; Bankruptcy Rules 2002, 6004, 6006, and 9014; and Local
26

¹ All capitalized terms not otherwise defined herein shall have the
meanings ascribed to them in the motion filed on October 28, 2010 by
AmericanWest Bancorporation ("AWBC") for orders (I) approving (A) the

NOTICE OF SALE OF CERTAIN ASSETS -

(Footnote continues on next page.)

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1 Rule 6004-1: (i) approving the Bidding Procedures; (ii) approving the Bidding
2 Protections described in the Sale Motion; (iii) approving the form and manner
3 of the Notice of Sale and the Assignment Notice; (iv) scheduling the Sale
4 Hearing on an expedited basis to be held on or about _____, 2010;
5 and (v) granting related relief (the "Bidding Procedures Order") entered by the
6 United States Bankruptcy Court for the Eastern District of Washington (the
7 "Court") on _____, 2010, AmericanWest Bancorporation ("AWBC") is
8 selling its 100% equity ownership (the "Shares") in its non-debtor subsidiary,
9 AmericanWest Bank (the "Bank"), and the Other Purchased Assets on the terms
10 and conditions set forth in the APA.

11 2. The sale of the Shares and Other Purchased Assets is authorized
12 pursuant to section 363(f)(2) of the Bankruptcy Code.

13 3. The sale of the Shares and Other Purchased Assets is necessary
14 and in the best interests of AWBC, its estate, creditors, and other parties-in-
15 interest.

16 _____
17 (Footnote continued from previous page.)

18 proposed bidding procedures for the proposed sale of certain assets; (B) certain
19 bidding protection payments; and (C) the form and manner of notice of (i) the
20 sale of certain assets and (ii) the assumption and assignment of certain
21 executory contracts, and granting related relief; (II) authorizing and approving
22 (A) the sale of certain assets and (B) the assumption and assignment of certain
23 executory contracts; and (III) waiving the 14-day stay of Fed. R. Bankr. P.
24 6004(h) and 6006(d) (the "Sale Motion") or that certain Asset Purchase
25 Agreement dated as of October 27, 2010 by and between AWBC and SKBHC
26 Hawks Nest Acquisition Corp. (the "APA"), as appropriate.

NOTICE OF SALE OF CERTAIN ASSETS - 2

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1 4. All interested parties are invited to make competing offers to
2 purchase the Shares and the Other Purchased Assets in accordance with the
3 Bidding Procedures approved by this Court. Pursuant to the Bidding
4 Procedures, AWBC will conduct an auction for the Shares and the Other
5 Purchased Assets (the "Auction") ____ on ___, 2010 at ____ at ____.

6 5. Participation at the Auction is subject to the Bidding Procedures
7 and the Bidding Procedures Order. Copies of the APA, the Sale Motion, the
8 Bidding Procedures, the Bidding Procedures Order, and the proposed form of
9 Sale Order, may be downloaded at the following web address:

10 _____.

11 6. As set forth in the Bidding Procedures Order, in order to be
12 qualified to receive any confidential information from AWBC or the Bank, to
13 submit an Initial Overbid (defined below) and to participate in the Auction, a
14 potential bidder other than the Purchaser (an "Overbidder") must submit each of
15 the following to AWBC: (i) an executed confidentiality agreement; and
16 (ii) current audited financial statements and the latest unaudited financial
17 statements (collectively, the "Financials").

18 7. In order to participate at the Auction, an Overbidder must submit
19 its bid in a form acceptable to AWBC (with copies to certain professionals as
20 explained in the Bidding Procedures) on or before ten days before the Sale
21 Hearing, 2010 (the "Bid Deadline").

22 8. A bid must be a written irrevocable offer from an Overbidder and
23 shall contain, among other things, the following: (a) a proposed asset purchase
24 agreement (the "Competing Purchase Agreement") on substantially the same
25 terms and conditions as those in the APA; (b) a cashier's check made payable to
26 the order of AWBC in the amount of Eight Million Five Hundred Thousand

NOTICE OF SALE OF CERTAIN ASSETS - 3

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1 Dollars (\$8,500,000) or such other amount as may be approved by the
2 Bankruptcy Court (the "Overbidder's Deposit") which will be retained by
3 AWBC as a deposit; (c) admissible evidence in the form of affidavits or
4 declarations establishing, among other things, the Overbidder's financial ability,
5 good faith, and ability to perform the obligations under the Competing Purchase
6 Agreement (collectively, the "Bidder Representations"); (d) remains open until
7 the conclusion of the Sale Hearing; (e) contains terms and conditions that are
8 higher and better than the terms and conditions of the APA; (f) provides for a
9 purchase price to be paid to AWBC that exceeds the sum of the Purchase Price
10 and the Stalking-Horse Bidder Fee by at least Five Hundred Thousand Dollars
11 (\$500,000) or such other initial increment as may be approved by the
12 Bankruptcy Court (the "Minimum Overbid"); and (g) provides for the
13 recapitalization of the Bank.

14 9. The Purchaser, and any entity that conforms with the above
15 requirements by submitting a Competing Asset Purchase Agreement,
16 supporting documentation, and the Overbidder's Deposit (collectively, an
17 "Initial Overbid") shall each be deemed a "Qualified Overbidder" and may bid
18 for the Shares and the Other Purchased Assets at the Auction.

19 10. The sale of the Shares and the Other Purchased Assets shall be on
20 an "as is, where is" basis and without representations or warranties of any kind,
21 nature, or description by AWBC, its agents, its advisors, or estate, except to the
22 extent set forth in the APA or in AWBC's purchase agreement(s) with the
23 Successful Bidder(s). Except as otherwise provided in the APA or the purchase
24 agreement(s) with the Successful Bidder(s), all of the right, title and interest in
25 and to the Shares and the Other Purchased Assets to be acquired will be sold
26 free and clear of all liens, security interests, encumbrances, and interests

NOTICE OF SALE OF CERTAIN ASSETS - 4

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1 thereon and thereagainst (collectively, the “Encumbrances”). The
2 Encumbrances will attach to the net proceeds of the sale of such Shares and the
3 Other Purchased Assets, subject to any claim of the Purchaser to such proceeds
4 for payment of the Stalking-Horse Bidder Fee in the amount of \$1,000,000.

5 11. If no timely, conforming Initial Overbid is submitted, AWBC shall
6 not conduct an Auction. Rather, AWBC shall (i) request at the Sale Hearing
7 that this Court approve the proposed sale of the Shares and the Other Purchased
8 Assets to the Purchaser under the APA; and (ii) request that the Sale Order shall
9 be immediately effective upon entry. If one or more timely conforming Initial
10 Overbids is received, AWBC will conduct the Auction, subject to approval of
11 this Court, in which the Purchaser and all other Qualified Overbidders may
12 participate.

13 12. The Auction will be governed by the following procedures, the
14 most significant of which include the following (the “Auction Rules”):
15 (a) bidding will commence at the amount of the highest bid submitted by a
16 Qualified Overbidder, as determined by AWBC, subject to approval by this
17 Court; (b) each subsequent bid will be in increments of no less than Five
18 Hundred Thousand Dollars (\$500,000) or such other increment as may be
19 approved by the Bankruptcy Court; (c) the Purchaser will have the right, but
20 not the obligation to match bids made by any Qualified Overbidder (and credit
21 the amount of the Stalking-Horse Bidder Fee), and in such event, the
22 Purchaser’s matching bid will be deemed the highest and best bid for the Shares
23 and the Other Purchased Assets; (d) if, upon conclusion of the Auction the
24 Purchaser’s final bid matches (or is greater than) the highest bid made by any
25 Qualified Overbidder, this Court will approve the APA and authorize AWBC to
26 sell the Shares and the Other Purchased Assets to the Purchaser; and (e) AWBC

1 may, with Court approval, elect to deem the Purchaser's final bid to be the
2 highest bid, notwithstanding the receipt of an apparently higher bid from
3 another Overbidder.

4 13. The Shares are not subject to any Encumbrances, and the Other
5 Purchased Assets are not subject to any Encumbrances, other than Permitted
6 Liens.

7 14. Given the extensive marketing of the Shares and Other Purchased
8 Assets, followed by extensive negotiations with respect to the APA, the
9 estimated fair market value of the Shares and the Other Purchased Assets,
10 without deductions for interest of entities other than AWBC's estate, is
11 estimated at \$6.5 million, the Cash Purchase Price.

12 15. The Sale Hearing is presently scheduled to take place on _____,
13 2010 at _____ (prevailing Pacific Time) in the courtroom of the Honorable
14 Judge Williams in the United States Bankruptcy Court for the Eastern District
15 of Washington, 904 West Riverside Avenue, Suite 304, Spokane, Washington
16 99201.

17 16. Objections to the entry of an order approving the Sale and the
18 related relief requested in the Sale Motion must be made in writing and must be
19 filed with this Court and served upon the following parties so as to be received
20 by no later than _____ p.m. (prevailing Pacific Time) on _____, 2010: (i) Foster
21 Pepper PLLC, 1111 Third Avenue, Suite 3400, Seattle, Washington 98101-
22 3299, proposed counsel for AWBC; (ii) Larry Engel, Morrison & Foerster LLP,
23 425 Market Street, San Francisco, California 94105-2482, proposed special
24 counsel for AWBC and the Company Individuals; (iii) Kenneth Kohler,
25 Morrison & Foerster LLP, 555 West Fifth Street, Suite 3500, Los Angeles, CA
26 90013-1024, proposed special counsel for AWBC and the Company

NOTICE OF SALE OF CERTAIN ASSETS - 6

sf-2864747

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1 Individuals; (iv) Van C. Durrer II, Skadden, Arps, Slate, Meagher & Flom LLP,
2 300 South Grand Ave., Suite 3400, Los Angeles, CA 90071, counsel for the
3 Purchaser; (v) the Office of the United States Trustee, 920 West Riverside
4 Avenue Suite 593, Spokane, WA, 99201; and (vi) Sandler O'Neill & Partners,
5 L.P., 455 Market Street, Suite 2070, San Francisco, CA 94105, Attn: Albert
6 Glowasky, financial advisor to AWBC. The failure of any objecting party to
7 timely file and serve its objection shall be a bar to the assertion by such party at
8 the Sale Hearing or thereafter of any objection to the Sale Motion, the Sale, or
9 AWBC's consummation and performance of the APA, including the transfer of
10 the Shares free and clear of all Encumbrances and the Other Purchased Assets
11 free and clear of all Encumbrances (other than Permitted Liens).

12 17. If no objection to the Sale Motion is timely filed and served,
13 AWBC may strike the Sale Hearing and present ex parte a proposed order to
14 this Court.

15 18. This notice is qualified in its entirety by the Bidding Procedures
16 Order.

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NOTICE OF SALE OF CERTAIN ASSETS - 7

sf-2864747

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1 DATED this 3rd day of November,
2 2010

FOSTER PEPPER PLLC

3 /s/ Dillon E. Jackson

4 Dillon E. Jackson, WSBA #1539

5 G. Larry Engel
6 (pro hac admission pending)
7 Vincent Novak
8 (pro hac admission pending)
9 MORRISON & FOERSTER LLP
425 Market Street
San Francisco, California 94105-2482
Telephone: (415) 268-7000

10 Kenneth E. Kohler
11 (pro hac admission pending)
12 MORRISON & FOERSTER LLP
13 555 West Fifth Street, Suite 3500
Los Angeles, CA 90013-1024
Telephone: (213) 892-5815

14 -- and --

15 Alexandra Steinberg Barrage
16 (pro hac admission pending)
17 MORRISON & FOERSTER LLP
2000 Pennsylvania Avenue, NW
Washington, D.C. 20006
Telephone: (202) 887-1552

18 Proposed Counsel for AmericanWest
19 Bancorporation

20
21
22
23
24
25
26
NOTICE OF SALE OF CERTAIN ASSETS - 8

sf-2864747

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EXHIBIT F

1 Dillon E. Jackson WSBA #1539
2 Foster Pepper PLLC
3 1111 Third Avenue, Suite 3400
4 Seattle, Washington 98101-3299
5 Telephone: (206) 447-4400
6 Facsimile No.: (206) 447-9700

7 G. Larry Engel (*pro hac admission pending*)
8 MORRISON & FOERSTER LLP
9 425 Market Street
10 San Francisco, California 94105-2482
11 Telephone: (415) 268-7000
12 Facsimile No.: (415) 268-7522

13 Proposed Counsel for
14 AMERICANWEST BANCORPORATION

15 UNITED STATES BANKRUPTCY COURT
16 EASTERN DISTRICT OF WASHINGTON
17

18 In re
19 AMERICANWEST
20 BANCORPORATION,
21 Debtor.

Case No. 10-06097-PCW-11

Chapter 11

**PUBLICATION NOTICE OF
SALE OF CERTAIN ASSETS**

22 PLEASE TAKE NOTICE OF THE FOLLOWING:

23 1. Pursuant to the Order under §§ 105(a), 363(b), and 365 of the
24 Bankruptcy Code¹; Bankruptcy Rules 2002, 6004, 6006, and 9014; and Local
25

26 ¹ All capitalized terms not otherwise defined herein shall have the
meanings ascribed to them in the motion filed on October 28, 2010 by
AmericanWest Bancorporation ("AWBC") for orders (I) approving (A) the
proposed bidding procedures for the proposed sale of certain assets; (B) certain

NOTICE OF SALE OF CERTAIN ASSETS -

(Footnote continues on next page.)

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sf-2913527

1 Rule 6004-1: (i) approving the Bidding Procedures; (ii) approving the Bidding
2 Protections described in the Sale Motion; (iii) approving the form and manner
3 of the Notice of Sale and the Assignment Notice; (iv) scheduling the Sale
4 Hearing on an expedited basis to be held on or about _____, 2010;
5 and (v) granting related relief (the "Bidding Procedures Order") entered by the
6 United States Bankruptcy Court for the Eastern District of Washington (the
7 "Court") on _____, 2010, AmericanWest Bancorporation ("AWBC") is
8 selling its 100% equity ownership (the "Shares") in its non-debtor subsidiary,
9 AmericanWest Bank (the "Bank"), and the Other Purchased Assets on the terms
10 and conditions set forth in the APA.

11 2. The sale of the Shares and Other Purchased Assets is authorized
12 pursuant to section 363(f)(2) of the Bankruptcy Code.

13 3. The sale of the Shares and Other Purchased Assets is necessary
14 and in the best interests of AWBC, its estate, creditors, and other parties-in-
15 interest.

16 4. All interested parties are invited to make competing offers to
17 purchase the Shares and the Other Purchased Assets in accordance with the

18 (Footnote continued from previous page.)

19 bidding protection payments; and (C) the form and manner of notice of (i) the
20 sale of certain assets and (ii) the assumption and assignment of certain
21 executory contracts, and granting related relief; (II) authorizing and approving
22 (A) the sale of certain assets and (B) the assumption and assignment of certain
23 executory contracts; and (III) waiving the 14-day stay of Fed. R. Bankr. P.
24 6004(h) and 6006(d) (the "Sale Motion") or that certain Asset Purchase
25 Agreement dated as of October 27, 2010 by and between AWBC and SKBHC
26 Hawks Nest Acquisition Corp. (the "APA"), as appropriate.

PUBLICATION NOTICE OF SALE OF CERTAIN ASSETS - 2

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1 Bidding Procedures approved by this Court. Pursuant to the Bidding
2 Procedures, AWBC will conduct an auction for the Shares and the Other
3 Purchased Assets (the "Auction") ____ on ___, 2010 at ____ at ____.

4 5. Participation at the Auction is subject to the Bidding Procedures
5 and the Bidding Procedures Order. Copies of the APA, the Sale Motion, the
6 Bidding Procedures, the Bidding Procedures Order, and the proposed form of
7 Sale Order, may be downloaded at the following web address:

8 _____.

9 6. As set forth in the Bidding Procedures Order, in order to be
10 qualified to receive any confidential information from AWBC or the Bank, to
11 submit an Initial Overbid (defined below) and to participate in the Auction, a
12 potential bidder other than the Purchaser (an "Overbidder") must submit each of
13 the following to AWBC: (i) an executed confidentiality agreement; and
14 (ii) current audited financial statements and the latest unaudited financial
15 statements (collectively, the "Financials").

16 7. In order to participate at the Auction, an Overbidder must submit
17 its bid in a form acceptable to AWBC (with copies to certain professionals as
18 explained in the Bidding Procedures) on or before ten days before the Sale
19 Hearing, 2010 (the "Bid Deadline").

20 8. A bid must be a written irrevocable offer from an Overbidder and
21 shall contain, among other things, the following: (a) a proposed asset purchase
22 agreement (the "Competing Purchase Agreement") on substantially the same
23 terms and conditions as those in the APA; (b) a cashier's check made payable to
24 the order of AWBC in the amount of Eight Million Five Hundred Thousand
25 Dollars (\$8,500,000) or such other amount as may be approved by the
26 Bankruptcy Court (the "Overbidder's Deposit") which will be retained by

PUBLICATION NOTICE OF SALE OF CERTAIN ASSETS - 3

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1 AWBC as a deposit; (c) admissible evidence in the form of affidavits or
2 declarations establishing, among other things, the Overbidder's financial ability,
3 good faith, and ability to perform the obligations under the Competing Purchase
4 Agreement (collectively, the "Bidder Representations"); (d) remains open until
5 the conclusion of the Sale Hearing; (e) contains terms and conditions that are
6 higher and better than the terms and conditions of the APA; (f) provides for a
7 purchase price to be paid to AWBC that exceeds the sum of the Purchase Price
8 and the Stalking-Horse Bidder Fee by at least Five Hundred Thousand Dollars
9 (\$500,000) or such other initial increment as may be approved by the
10 Bankruptcy Court (the "Minimum Overbid"); and (g) provides for the
11 recapitalization of the Bank.

12 9. The Purchaser, and any entity that conforms with the above
13 requirements by submitting a Competing Asset Purchase Agreement,
14 supporting documentation, and the Overbidder's Deposit (collectively, an
15 "Initial Overbid") shall each be deemed a "Qualified Overbidder" and may bid
16 for the Shares and the Other Purchased Assets at the Auction.

17 10. The sale of the Shares and the Other Purchased Assets shall be on
18 an "as is, where is" basis and without representations or warranties of any kind,
19 nature, or description by AWBC, its agents, its advisors, or estate, except to the
20 extent set forth in the APA or in AWBC's purchase agreement(s) with the
21 Successful Bidder(s). Except as otherwise provided in the APA or the purchase
22 agreement(s) with the Successful Bidder(s), all of the right, title and interest in
23 and to the Shares and the Other Purchased Assets to be acquired will be sold
24 free and clear of all liens, security interests, encumbrances, and interests
25 thereon and thereagainst (collectively, the "Encumbrances"). The
26 Encumbrances will attach to the net proceeds of the sale of such Shares and the

1 Other Purchased Assets, subject to any claim of the Purchaser to such proceeds
2 for payment of the Stalking-Horse Bidder Fee in the amount of \$1,000,000.

3 11. If no timely, conforming Initial Overbid is submitted, AWBC shall
4 not conduct an Auction. Rather, AWBC shall (i) request at the Sale Hearing
5 that this Court approve the proposed sale of the Shares and the Other Purchased
6 Assets to the Purchaser under the APA; and (ii) request that the Sale Order shall
7 be immediately effective upon entry. If one or more timely conforming Initial
8 Overbids is received, AWBC will conduct the Auction, subject to approval of
9 this Court, in which the Purchaser and all other Qualified Overbidders may
10 participate.

11 12. The Auction will be governed by the following procedures, the
12 most significant of which include the following (the "Auction Rules"):

13 (a) bidding will commence at the amount of the highest bid submitted by a
14 Qualified Overbidder, as determined by AWBC, subject to approval by this
15 Court; (b) each subsequent bid will be in increments of no less than Five
16 Hundred Thousand Dollars (\$500,000) or such other increment as may be
17 approved by the Bankruptcy Court; (c) the Purchaser will have the right, but
18 not the obligation to match bids made by any Qualified Overbidder (and credit
19 the amount of the Stalking-Horse Bidder Fee), and in such event, the
20 Purchaser's matching bid will be deemed the highest and best bid for the Shares
21 and the Other Purchased Assets; (d) if, upon conclusion of the Auction the
22 Purchaser's final bid matches (or is greater than) the highest bid made by any
23 Qualified Overbidder, this Court will approve the APA and authorize AWBC to
24 sell the Shares and the Other Purchased Assets to the Purchaser; and (e) AWBC
25 may, with Court approval, elect to deem the Purchaser's final bid to be the
26

1 highest bid, notwithstanding the receipt of an apparently higher bid from
2 another Overbidder.

3 13. The Shares are not subject to any Encumbrances, and the Other
4 Purchased Assets are not subject to any Encumbrances, other than Permitted
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6 14. Given the extensive marketing of the Shares and Other Purchased
7 Assets, followed by extensive negotiations with respect to the APA, the
8 estimated fair market value of the Shares and the Other Purchased Assets,
9 without deductions for interest of entities other than AWBC's estate, is
10 estimated at \$6.5 million, the Cash Purchase Price.

11 15. The Sale Hearing is presently scheduled to take place on _____,
12 2010 at _____ (prevailing Pacific Time) in the courtroom of the Honorable
13 Judge Williams in the United States Bankruptcy Court for the Eastern District
14 of Washington, 904 West Riverside Avenue, Suite 304, Spokane, Washington
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16 16. Objections to the entry of an order approving the Sale and the
17 related relief requested in the Sale Motion must be made in writing and must be
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21 3299, proposed counsel for AWBC; (ii) Larry Engel, Morrison & Foerster LLP,
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23 counsel for AWBC and the Company Individuals; (iii) Kenneth Kohler,
24 Morrison & Foerster LLP, 555 West Fifth Street, Suite 3500, Los Angeles, CA
25 90013-1024, proposed special counsel for AWBC and the Company
26 Individuals; (iv) Van C. Durrer II, Skadden, Arps, Slate, Meagher & Flom LLP,

PUBLICATION NOTICE OF SALE OF CERTAIN ASSETS - 6

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1 300 South Grand Ave., Suite 3400, Los Angeles, CA 90071, counsel for the
2 Purchaser; (v) the Office of the United States Trustee, 920 West Riverside
3 Avenue Suite 593, Spokane, WA, 99201; and (vi) Sandler O'Neill & Partners,
4 L.P., 455 Market Street, Suite 2070, San Francisco, CA 94105, Attn: Albert
5 Glowasky, financial advisor to AWBC. The failure of any objecting party to
6 timely file and serve its objection shall be a bar to the assertion by such party at
7 the Sale Hearing or thereafter of any objection to the Sale Motion, the Sale, or
8 AWBC's consummation and performance of the APA, including the transfer of
9 the Shares free and clear of all Encumbrances and the Other Purchased Assets
10 free and clear of all Encumbrances (other than Permitted Liens).

11 17. If no objection to the Sale Motion is timely filed and served,
12 AWBC may strike the Sale Hearing and present ex parte a proposed order to
13 this Court.

14 18. This notice is qualified in its entirety by the Bidding Procedures
15 Order.

1 DATED this 3rd day of November,
2 2010

FOSTER PEPPER PLLC

3 /s/ Dillon E. Jackson

4 Dillon E. Jackson, WSBA #1539

5 G. Larry Engel
6 (pro hac admission pending)
7 Vincent Novak
8 (pro hac admission pending)
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23 Proposed Counsel for AmericanWest
24 Bancorporation
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PUBLICATION NOTICE OF SALE OF CERTAIN ASSETS - 8

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